



State of New Jersey

DEPARTMENT OF EDUCATION

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September 29, 2010

TO: Chief School Administrators
Board Secretaries/School Business Administrators
Executive County Superintendents
Executive County School Business Administrators

FROM: Yut'se O. Thomas, Acting Assistant Commissioner
Division of Finance & Regulatory Compliance

SUBJECT: Interdistrict Public School Choice Program
Transportation of Children Placed in Foster Homes

School Choice

On September 9 the Governor signed into law P.L.2010, c.65 (A-355), the School Choice Law. This law changes the responsibility for the provision of transportation to and from approved choice schools. Previously, the choice school district was responsible for providing and paying for transportation, was entitled to state transportation aid for that transportation, and listed all of the students attending their school who received transportation on their District Report of Transported Resident Students (DRTRS).

The new law changes that responsibility. Now the student's district of residence is responsible for arranging and paying for transportation to and from school, and will be the recipient of state transportation aid for that student. Consequently, the district of residence will list the students living in their district and attending an approved choice school on their own DRTRS. The choice school district will no longer list any out-of-district students on their DRTRS.

Choice school districts have already made arrangements for transportation of their out-of-district students for the 2010-2011 school year and resident school districts have not budgeted for this transportation. Since this law took effect immediately, choice school districts will be billing students' resident school districts for transportation services provided after enactment of the law. Listed below are recommendations for the treatment of this unique situation.

- 1) For the resident district that now has the responsibility to provide (or pay) for the transportation of the students:

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- NJAC 6A:23A-13.3(c) provides that a district may transfer surplus prior to April 1 with Commissioner approval for an emergency condition. The district should submit a request to the Executive County Superintendent (ECS) in accordance with this section of the code, since the new transportation responsibility would qualify as an emergent circumstance.
 - NJAC 6A:23A-14.4(a) provides that the emergency fund reserve may be used to finance unanticipated general fund current expense costs required for T & E. “Unanticipated” means reasonably unforeseeable and shall not include additional costs caused by poor planning or error. The change in transportation responsibility would qualify as unanticipated.
 - For the next budget year, 2011-12, the resident district could apply for a levy cap adjustment pursuant to NJSA 18A:7F-38.
- 2) For the choice district that previously provided the transportation until the law was enacted shifting the responsibility for transportation back to the resident district:
- For the current year, any revenue collected from the resident district may be appropriated without Commissioner approval if it meets the conditions set forth at NJAC 6A:23A-13.3(d)3.
 - For the 2011-12 budget, the choice district would have a decrease in the tax levy cap pursuant to NJSA 18A:7F-38.

Transportation of Children Placed in Foster Homes

P.L. 2010, c.69 (A2137) was also signed into law on September 9. This law redefines residency for children placed in foster homes. Under the new law any child placed in a foster home remains a resident of the school district in which their parent or legal guardian lives. The Department of Children and Families is responsible for the provision of transportation for the first five school days after a determination is made regarding the child’s educational placement. After that time the child’s resident school district becomes responsible for arranging and paying for the child’s transportation to and from school, if the child is eligible for mandated transportation services. A more detailed explanation of this law in the form of a memorandum from the Commissioners of the Departments of Children and Families and Education will be provided shortly.

If you have any questions regarding any of these issues, please contact the Office of Student Transportation at (609) 984-5757 or by email at student.trans@doe.state.nj.us. For questions related to budgeting and accounting for transportation funds please contact the Office of Fiscal Policy and Planning at doecafr@doe.state.nj.us or call (609) 292-3496.

YOT/DRS/jh:T/Doc Orig/Choice Schools/Notification to districts for choice

c: Members, State Board of Education

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